

**TO:** All Retirees and Covered Dependents Eligible for Medicare  
**FROM:** **RETIREMENT DIVISION – CITY OF KANSAS CITY,  
MISSOURI**

**DATE:** **FEBRUARY 3, 2020**

**RE:** Prescription Drug Coverage through Medicare

**~IMPORTANT NOTICE ABOUT YOUR PRESCRIPTION DRUG COVERAGE AND  
MEDICARE ~**

**THIS NOTICE ONLY APPLIES TO THOSE WHO MEET THE FOLLOWING  
REQUIREMENTS:**

- ◆ You are entitled to Medicare Part A and/or enrolled in Part B; and
- ◆ You live in the service area of a Medicare Part D prescription drug plan.

**IF YOU ARE NOT ELIGIBLE FOR THE ABOVE REQUIREMENTS YOU MAY  
DISREGARD THIS NOTICE AT THIS TIME.**

1. **MEDICARE PART D:** Beginning January 1, 2006, prescription drug coverage was made available to everyone with Medicare through Medicare prescription drug plans (Medicare Part D). All Medicare prescription drug plans will provide at least a standard level of coverage set by Medicare. Some plans might also offer more coverage for a higher monthly premium.
2. **YOUR CURRENT GROUP COVERAGE:** If you are covered by the City of Kansas City, Missouri medical plans, your existing coverage will, as of May 1, 2020, on average, be at least as good as the standard Medicare prescription drug coverage. Based on this fact, you can keep the City of Kansas City, Missouri's coverage and not pay extra if you later decide to enroll in the Medicare Part D Coverage.
3. **IMPORTANT NOTICE:** Please read the attached notice carefully. If you have any questions about the coverage of the City's medical plans, please contact the Retirement Division at (816) 513-1928. If you have questions about your options under Medicare prescription drug coverage, you can visit [www.medicare.gov](http://www.medicare.gov) or call 1-800-MEDICARE (1-800-633-4227).

## **Important Notice from the City of Kansas City, Missouri About Your Prescription Drug Coverage and Medicare**

Please read this notice carefully and keep it where you can find it. This notice has information about your current prescription drug coverage with the City of Kansas City, Missouri and about your options under Medicare's prescription drug coverage. This information can help you decide whether or not you want to join a Medicare Part D drug plan. If you are considering joining, you should compare your current coverage, including which drugs are covered at what cost, with the coverage and costs of the plans offering Medicare prescription drug coverage in your area. Information about where you can get help to make decisions about your prescription drug coverage is at the end of this notice.

There are two important things you need to know about your current coverage and Medicare's prescription drug coverage:

1. Medicare prescription drug coverage became available in 2006 to everyone with Medicare. You can get this coverage if you join a Medicare Prescription Drug Plan or join a Medicare Advantage Plan (like an HMO or PPO) that offers prescription drug coverage. All Medicare drug plans provide at least a standard level of coverage set by Medicare. Some plans may also offer more coverage for a higher monthly premium.
2. Blue Cross and Blue Shield of Kansas City has determined that the prescription drug coverage offered by Blue-Care (Base), Blue-Care (Mid-Level), Blue-Care (Premium), Preferred-Care Blue (PPO), St. Luke's/BlueSelect Plus (EPO), Spira Care/BlueSelect Plus (EPO), and BlueSelect Plus (EPO) is, on average for all plan participants, expected to pay out as much as standard Medicare prescription drug coverage pays and is therefore considered Creditable Coverage. Because your existing coverage is Creditable Coverage, you can keep this coverage and not pay a higher premium (a penalty) if you later decide to join a Medicare drug plan.

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### **When Can You Join A Medicare Drug Plan?**

You can join a Medicare drug plan when you first become eligible for Medicare and each year from October 15<sup>th</sup> through December 7<sup>th</sup>.

However, if you lose your current creditable prescription drug coverage, through no fault of your own, you will also be eligible for a two (2) month Special Enrollment Period (SEP) to join a Medicare drug plan.

### **What Happens To Your Current Coverage If You Decide To Join A Medicare Drug Plan?**

If you decide to join a Medicare drug plan, your current City of Kansas City, Missouri coverage may be affected. See the following information about what happens to your current coverage if you join a Medicare drug plan.

If you are covered by one of the Blue Cross Blue Shield of Kansas City plans and decide to also join a Medicare drug plan, your coverage will not be affected, as Blue Cross Blue Shield plans do not coordinate benefits with Part D.

**If you are covered on one of the Blue Medicare Advantage plans and decide to also join a Medicare drug plan, your Blue Medicare Advantage coverage will be affected.**

**Under the Medicare regulations, an individual cannot be enrolled in more than one Medicare Part D plan at a time. Because the Blue Medicare plans are Medicare Advantage plans with Part D drug coverage, if you enroll in another Part D drug plan, Medicare will automatically terminate your Blue Medicare Advantage coverage. This would leave you with no medical or drug coverage through Blue Medicare Advantage.**

**If you do decide to join a Medicare drug plan and drop your current City of Kansas City, Missouri prescription drug coverage, be aware that you and your dependents may or may not be able to get this coverage back.**

### **When Will You Pay a Higher Premium (Penalty) To Join a Medicare Drug Plan?**

You should also know that if you drop or lose your current coverage with the City of Kansas City, Missouri and don't join a Medicare drug plan within 63 continuous days after your current coverage ends, you may pay a higher premium (a penalty) to join a Medicare drug plan later.

If you go 63 continuous days or longer without creditable prescription drug coverage, your monthly premium may go up by at least 1% of the Medicare base beneficiary premium per month for every month that you did not have that coverage. For example, if you go nineteen months without creditable coverage, your premium may consistently be at least 19% higher than the Medicare base beneficiary premium. You may have to pay this higher premium (a penalty) as long as you have Medicare prescription drug coverage. In addition, you may have to wait until the following October to join.

### **For More Information About This Notice Or Your Current Prescription Drug Coverage...**

Contact our office for further information at (816) 513-1928. **NOTE:** You'll get this notice each year before the next period you can join a Medicare drug plan, and if this coverage through the City of Kansas City, Missouri changes. You also may request a copy of this notice at any time.

### **For More Information About Your Options Under Medicare Prescription Drug Coverage...**

More detailed information about Medicare plans that offer prescription drug coverage is in the "Medicare & You" handbook. You'll get a copy of the handbook in the mail every year from Medicare. You may also be contacted directly by Medicare drug plans.

For more information about Medicare prescription drug coverage:

- Visit [www.medicare.gov](http://www.medicare.gov)
- Call your State Health Insurance Assistance Program (see the inside back cover of your copy of the "Medicare & You" handbook for their telephone number) for personalized help
- Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

If you have limited income and resources, extra help paying for Medicare prescription drug coverage is available. For information about this extra help, visit Social Security on the web at [www.socialsecurity.gov](http://www.socialsecurity.gov), or call them at 1-800-772-1213 (TTY 1-800-325-0778).

**Remember: Keep this Creditable Coverage notice. If you decide to join one of the Medicare drug plans, you may be required to provide a copy of this notice when you join to show whether or not you have maintained creditable coverage and, therefore, whether or not you are required to pay a higher premium (a penalty).**

Date:	February 5, 2020
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